

**JUSTIFICATION FOR AN EXCEPTION TO FAIR OPPORTUNITY (JEFO)
MULTIPLE DELIVERY/TASK ORDER CONTRACTS
FAR SUBPART 16.5**

I recommend the use of limited awardees for the acquisition of the following supplies or services available under an indefinite-delivery contract. If this acquisition is to be made with only one awardee or a limited number of awardees, negotiations will be conducted with the indicated proposed supplier(s) in accordance with FAR 16.505 (b)(2)(ii)(B):

1. IDENTIFICATION OF THE AGENCY AND THE CONTRACTING ACTIVITY:

Department of Treasury IRS Procurement Office of Information Technology (OITA) TIPSS Program Branch

2. NATURE AND/OR DESCRIPTION OF THE ACTION BEING APPROVED:

Immediate onboarding of a contractor in support of the Government Security Operations Center (GSOC) project through the TIPSS-4 Contract

3. DESCRIPTION OF SUPPLIES OR SERVICES

The Departmental Offices, ACIO Cyber requires immediate assistance for the following services:

- Provide 24x7x365 Treasury-wide security monitoring, incident response, and active network defenses against advanced cyber threats directed against Treasury.
- Provide digital forensic and reverse engineering services in support of ongoing Treasury cyber investigations.
- Engineer, operate, and maintain the GSOC security monitoring and data warehouse environment to ensure continued operations, realize operational efficiencies, and protect against focused operations and advanced cyber threats against Treasury.
- Develop, build, and operate detection and analysis tools in support of the GSOC mission.
- Support transparency, reporting, collaboration, and communication with Treasury executive staff, Treasury Bureaus, and other Government Agencies.

Period of Performance:

Base Period: January 1, 2015 – January 31, 2015

Option Period 1: February 1, 2015 – February 28, 2015

4. REQUISITION NO.
0-5-TR-DO-DT-A4G 000

5. NAME(S) OF PROPOSED SOURCE(S)

6. COST ESTIMATE

Base: \$392,728.28

Option: \$392,728.28

Total: \$785,456.56

Northrop Grumman System Corporation
4807 Stonecroft Blvd
Chantilly VA 20151
TIRNO-11-D-00027

REQUIRING OFFICE CERTIFICATION

I certify that the attached justification is accurate, and contains complete data necessary to support the recommendation for only one or limited awardees justification and approval.

7. TECHNICAL/REQUIREMENT PERSONNEL (Name & Title)

(Signature)

(Phone No.)

(Date)

IT Specialist

Digitally signed by George R. Reynolds Jr.
DN: cn=US, o=U.S. Government,
ou=Department of the Treasury,
ou=Departmental Offices, ou=People,
serialNumber=524423, cn=George R. Reynolds Jr.
Date: 2014.11.13 15:44:34 -0500

SMALL BUSINESS CERTIFICATION			
I have reviewed the awardee list to locate small businesses for this procurement. If any were found, a list is attached.			
8. SMALL BUSINESS SPECIALIST (Name and Title) LaTonya D. Richardson Small Business Specialist	(Signature) 711NB B	Digitally signed by 711NB DN: cn=711NB, email=Mary.G.McKinzie@irs.gov Date: 2014.11.17 15:26:53 -05'00'	(Phone No.) 240-613-8311 (Date) 11/13/2014
PROCUREMENT OFFICE CERTIFICATION			
I certify that this submission is accurate and complete to the best of my knowledge and belief. This signature will serve as approval unless action exceeds \$650K. Approval constitutes written determination that one of the circumstances allowing for Exception to Fair Opportunity (FAR 16.505(b)(2)(i)(A) through (E)) applies to the order.			
9. ASSIGNED CONTRACTING OFFICER (Name) Sheila R. Miller Contracting Officer	(Signature) 2z0pb	Digitally signed by 2z0pb DN: cn=2z0pb, email=Sheila.R.Miller@irs.gov Date: 2014.11.14 05:59:15 -05'00'	(Phone No.) 240-613-8246 (Date)
Before requesting this procurement, state one statutory authority for this procurement to be conducted under "exception to fair opportunity" procedures. Provide narrative justification associated with the respective stated authority in block number 15.			
STATUTORY AUTHORITY EXCEPTIONS (FAR 16.505 (b)(2)(i))			
(place an "X" in appropriate box and complete the rest of the form)			
10.	FAR 16.505 (b) (2) (i) (A) – Need is so urgent that providing fair opportunity would result in unacceptable delays.		
X 11.	FAR 16.505 (b) (2) (i) (B) – Only one awardee is capable of providing the supplies/services required at the level of quality required because they are unique or highly specialized; or brand name specification FAR 16.505 (a) (4).		
12.	FAR 16.505 (b) (2) (i) (C) – The order must be issued on a sole-source basis in the interest of economy and efficiency because it is a logical follow-on to an order already issued under the contract, provided that all awardees were given a fair opportunity to be considered for the original order.		
13.	FAR 16.505 (b) (2) (i) (D) – It is necessary to place an order to satisfy a minimum guarantee.		
14.	FAR 16.505 (b) (2) (i) (E) – A statute expressly authorizes or requires that the purchase be made from a specified source (for orders exceeding the SAT).		

15. JUSTIFICATION (ADD PAGES IF NEEDED)

A. DEMONSTRATION THAT THE PROPOSED CONTRACTOR'S UNIQUE QUALIFICATIONS OR THE NATURE OF THE ACQUISITION REQUIRES USE OF THE AUTHORITY CITED.

Treasury is moving towards a more centralized and collaborative model for IT services. Treasury is expanding its ability to work collaboratively with other financial regulators, the financial services community, and the general public while also allowing our own employees to work in non-traditional ways. There is an increased need for a cybersecurity organization that is capable of comprehensive and integrated risk and threat management in this complex environment. In the Departmental Government Security Operations Center (GSOC), Treasury has a single organization that can not only monitor and protect shared environments, such as the Departmental Trusted Internet Connections (TICs) and the enterprise data centers from cyber threats, but also leverage security operations expertise to maximize the value in proactive risk management initiatives such as Treasury's Continuous Monitoring (CM) effort.

The GSOC is planning to evolve its current network defense organization to provide an enhanced level of service that will better align with Treasury's Enterprise IT Roadmap for 2013-2016. GSOC will aim to provide proactive services for Treasury bureaus to defend against continuously evolving cyber threats. To achieve this, GSOC aims to provide a shared service offering that will increase transparency and collaboration with bureaus by building a scalable infrastructure to ingest and analyze vast amounts of security data as well as a flexible organization that can evolve with the changing needs of proactive threat and risk management.

The current task order for GSOC Support Services was awarded to Northrup Grumman by the Bureau of Fiscal Service and will expire December 31, 2014. IRS Procurement is in the process of awarding a task order for GSOC II Support Services under the Total Information Processing Support Services-4 (TIPSS) Management/Business Operations Support Services (MBOSS) Small Business Indefinite Delivery Contract. Estimated award date of the TIPSS-4 task order is December 11, 2014. This sole source bridge is required to allow a transition period from Northrup Grumman to the TIPSS-4 small business awardee without interruption of vital services. It is imperative that the work begun and currently in-process by Northrup Grumman continue without interruption or delay in order to ensure continued operation of the GSOC.

The Northrop Grumman Team that is currently operating the GSOC possesses the unique skills and breadth of resources with hard to find expertise across the cybersecurity community. More importantly, they have been operating the GSOC on a daily basis since its inception in 2007. During this time, Northrop Grumman gained expert knowledge of Treasury cybersecurity interrelationships with both other Treasury Bureaus as well as other Government entities, including the Department of Homeland Security.

Northrop Grumman is qualified to perform these services as they have had a rich history of ushering success in both the Federal cybersecurity space. Their unique scope of cybersecurity skills and knowledge coupled with the Treasury familiarity make them the sole source already positioned with the proper qualifications and experience to perform and transition this work. Their past dealings with Treasury cybersecurity practices and strategy will ensure that they bring the TIPSS-4 awardee up to date expediently on the current project, adapt accordingly and adhere to the aggressive timelines. The knowledge gained from them will give them the TIPSS-4 awardee capability to transition into operational capability. The Department of Treasury's Associate Chief Information Officer requests approval of a sole source task order to Northrop Grumman, to allow sufficient transitioning of services of this critical work within the specified essential deadlines.

B. DESCRIBE THE EFFORTS TAKEN TO ENSURE OFFERS WERE SOLICITED FROM ALL MULTIPLE-AWARD CONTRACTORS, INCLUDING WHETHER A FAIR NOTICE OF INTENT TO MAKE A PURCHASE (WITH CLEAR DESCRIPTION OF SUPPLIES/SERVICES AND THE BASIS UPON WHICH THE SELECTION WILL BE MADE) WAS/WILL BE PUBLISHED ON THE AGENCY'S WEB PAGE FOR ALL AWARDEES TO SEE AS REQUIRED BY

FAR 16.505(b)(1)(iii)(B)(1). STATE "ALL CONTRACTORS RESPONDING TO THE NOTICE OF FAIR OPPORTUNITY CAN SUBMIT AN OFFER AND HAVE THAT OFFER FAIRLY CONSIDERED."

A notice of intent to award sole source was posted on the IRS TIPSS-4 Web page. Awardees were advised to email the TIPSS-4 mailbox to obtain information on the requirement.

C. DETERMINATION THAT THE ANTICIPATED COST TO THE GOVERNMENT WILL BE FAIR AND REASONABLE.

The TIPSS-4 Contract has already determined the costs to be fair and reasonable at the time of the award. The Contracting Officer will consult with the Program Office to determine whether or not the proposed hours and labor mix is realistic and reasonable to meet the requirements.

D. DESCRIBE THE MARKET RESEARCH CONDUCTED AMONG ALL AWARDEES AND THE RESULTS OF THE RESEARCH (E.G., HISTORICAL ORDERING INFORMATION, LIST AWARDEES THAT EXPRESSED AN INTEREST IN WRITING IN THE ORDER AND THE RESULTS OF THAT INTEREST).

The program office has used their technical knowledge and expertise of these requirements as well as historical experience to determine that there is only one capable source to meet these requirements. The capable source is an awardee of the TIPSS-4 Information Technology Service (ITS) Indefinite Delivery Contract. No other awardee has expressed interest at this time.

E. DESCRIBE ANY OTHER FACTS TO SUPPORT THE JUSTIFICATION.

The Treasury has compiled a Performance Work Statement (PWS) as well as an Independent Government Cost Estimate (IGCE) in support of this effort.

F. LIST THE ACTIONS, IF ANY, THAT THE BUREAU WILL TAKE TO REMOVE OR OVERCOME ANY BARRIERS THAT LED TO THE EXCEPTION TO FAIR OPPORTUNITY BEFORE ANY SUBSEQUENT ACQUISITIONS FOR SIMILAR SUPPLIES OR SERVICES.

The Treasury is currently looking for a short term (≤ 2 Month) contract to allow transition of the current GSOC services to the TIPSS-4 small business awardee. The TIPSS-4 task order estimated award date is December 11, 2014.

G. STATEMENT THAT REQUIREMENT DOES NOT RESULT FROM A LACK OF PLANNING OR THE EXPIRATION OF FUNDS.

The Treasury needs to ensure a completely successful launch of the GSOC II project. This requirement does not result from a lack of planning or the expiration of funds.

ADDITIONAL APPROVALS				
Approval constitutes written determination that one of the circumstances allowing for Exception to Fair Opportunity (FAR 16.505(b)(2)(i)(A) through (E)) applies to the order.				
OVER \$650,000	16. BUREAU COMPETITION ADVOCATE (Name & Title) SYDNEY C. BROACH Associate Director, SCR Branch, AWSS, Employee Support Services	<input checked="" type="checkbox"/> APPROVE <input type="checkbox"/> DISAPPROVE	(Signature) Sydney C. Broach <small>Digitally signed by Sydney C. Broach DN: cn=US, o=U.S. Government, ou=Department of the Treasury, ou=Internal Revenue Service, c=US, email=Sydney.C.Broach@irs.gov, date=2014.11.18 16:57:12 -0600</small>	(Phone No.) 615-250-5545
				(Date)
OVER \$12.5 MILLION	17. HEAD OF THE CONTRACTING ACTIVITY (Name & Title)	<input type="checkbox"/> APPROVE <input type="checkbox"/> DISAPPROVE	(Signature)	(Phone No.)
				(Date)
OVER \$62.5 MILLION	18. SENIOR PROCUREMENT EXECUTIVE (Name & Title)	<input type="checkbox"/> APPROVE <input type="checkbox"/> DISAPPROVE	(Signature)	(Phone No.)
				(Date)
NOTE: Each review must be preceded by lower level approval(s), e.g., over \$62.5 million all approvals are required. IN NO CASE WILL AN INDIVIDUAL SIGN MORE THAN ONE APPROVAL LEVEL.				

CONTROL NO. FO 2015-04